



What's New in Environmental Insurance 2008?

25 Year Cover on Residential Properties

For both new build and existing residential properties a policy that will provide 25 years of protection against regulatory contaminated land claims is now available. The policy includes successes in title, diminution of property value and reinstatement of building if required during remediation works. The policy can apply to developments with 10 units or greater and has the benefit of providing cover to mortgagees and unlimited successors of title.

FillSecure – Long Term Financial Provision



FillSecure can offer long term financial liability transfer. Originally the product was designed for the long term (60 year) aftercare monitoring and maintenance cost required for landfill Environmental Permit - PPC/Environmental Permit. The product has been accepted by the Environment Agency as suitable for use. FillSecure has the potential to apply to other sites such as long term contaminated land and quarry sites with ongoing monitoring and maintenance and potential remediation costs. See website www.fillsecure.co.uk

SME Policies and Environmental Liability 'Gap Fillers'

In response to the Bartoline case and the Environmental Liability Directive there is increasing risk awareness with clients and advisors with respect to operational environmental issues. There are a number of cost effective products now available to suit SME budgets through to larger corporate clients. Specific environmental policies for property portfolios are being offered to cover both historic and operational environmental risks on an annual basis. This can be an affordable approach to the clients with a large property portfolio seeking protection.



Long Term Insurance Policies

A number of Insurers are offering extended reporting periods on their standard 10 year contaminated land policies, in some instances up to an additional 5 years providing additional long term protection to clients. There are also a number of other products providing longer term (up to 15 years) worth of cover for commercial properties which have already been developed.

Environmental Liability Directive (ELD)

Yet to be implemented in the UK but active in a number of European countries, especially Spain. A number of Insurers are offering specific wordings to cover the Environmental Liability Directive on a European wide basis. Tysers have already experienced some companies in the UK purchasing policies to cover this specific risk. The Environmental Liability Directive risk is normally being covered under specific environmental policies that combine both pre-existing and operational/new conditions.

Commercial Building Energy Performance Certificates

The Governments' requirement for a commercial building to have an Energy Performance Certificate will be phased in between April 2008 and October 2008. This poses a number of risks in terms of reliance on Consultants reports. Tysers have an exclusive product to cover remediation costs should loss be incurred.

Claims!

Environmental claims are now occurring in both insured and uninsured scenarios. A number of claims are being reported in the environmental insurance market particularly in relation to landfill and operational sites. Often claims can occur or can start as a regulatory claim with third parties joining when they are aware of the action.



It has also been noted by the environment insurance markets that there are a number of specific lawyers in the UK that are working on a 'no win no fee' basis targeting certain company operations with environmental claims usually. Some of these claims have been significant.

Tysers have worked on a wide range of contaminated land, waste and energy projects and can bring useful expertise to the project team.

For any information on any of the products mentioned above or any other property related insurance enquiry, please contact:-

Mathew Hussey
Associate Director
Tysers
12 Camomile Street
London
EC3A 7PJ

Tel: 020 3037 8000

Email: mathew.hussey@tysers.com

Graham De Roy
Director
Tysers
12 Camomile Street
London
EC3A 7PJ

Tel: 020 3037 8000

Email: graham.deroy@tysers.com



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